

# SENATE MOTION

**MADAM PRESIDENT:**

**I move** that Engrossed House Bill 1001 be amended to read as follows:

- 1           Page 21, between lines 4 and 5, begin a new paragraph and insert:
- 2           "SECTION 14. IC 6-1.1-12-9, AS AMENDED BY P.L.272-2003,
- 3           SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4           UPON PASSAGE]: Sec. 9. (a) An individual may obtain a deduction
- 5           from the assessed value of the individual's real property, or mobile
- 6           home or manufactured home which is not assessed as real property, if:
- 7               (1) the individual is at least sixty-five (65) years of age on or
- 8               before December 31 of the calendar year preceding the year in
- 9               which the deduction is claimed;
- 10              (2) the combined adjusted gross income (as defined in Section 62
- 11              of the Internal Revenue Code) of:
- 12                  (A) the individual and the individual's spouse; or
- 13                  (B) the individual and all other individuals with whom:
- 14                      (i) the individual shares ownership; or
- 15                      (ii) the individual is purchasing the property under a contract;
- 16              as joint tenants or tenants in common;
- 17              for the calendar year preceding the year in which the deduction is
- 18              claimed did not exceed twenty-five thousand dollars (\$25,000);
- 19              (3) the individual has owned the real property, mobile home, or
- 20              manufactured home for at least one (1) year before claiming the
- 21              deduction; or the individual has been buying the real property,
- 22              mobile home, or manufactured home under a contract that
- 23              provides that the individual is to pay the property taxes on the real
- 24              property, mobile home, or manufactured home for at least one (1)
- 25              year before claiming the deduction, and the contract or a
- 26              memorandum of the contract is recorded in the county recorder's
- 27              office;
- 28              (4) the individual and any individuals covered by subdivision
- 29              (2)(B) reside on the real property, mobile home, or manufactured
- 30              home;

(5) the assessed value of the real property, mobile home, or manufactured home does not exceed one hundred forty-four thousand dollars (\$144,000); and

(6) the individual receives no other property tax deduction for the year in which the deduction is claimed, except the deductions provided by sections 1, 37, and 38 of this chapter.

(b) Except as provided in subsection (h), in the case of real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the real property; or

(2) ~~six~~ **twelve** thousand **four hundred eighty** dollars ~~(\$6,000)~~.  
**(\$12,480).**

(c) Except as provided in subsection (h) and section 40.5 of this chapter, in the case of a mobile home that is not assessed as real property or a manufactured home which is not assessed as real property, an individual's deduction under this section equals the lesser of:

(1) one-half (1/2) of the assessed value of the mobile home or manufactured home; or

(2) ~~six~~ **twelve** thousand **four hundred eighty** dollars ~~(\$6,000)~~.  
**(\$12,480).**

(d) An individual may not be denied the deduction provided under this section because the individual is absent from the real property, mobile home, or manufactured home while in a nursing home or hospital.

(e) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by:

(1) tenants by the entirety;

(2) joint tenants; or

(3) tenants in common;

only one (1) deduction may be allowed. However, the age requirement is satisfied if any one (1) of the tenants is at least sixty-five (65) years of age.

(f) A surviving spouse is entitled to the deduction provided by this section if:

(1) the surviving spouse is at least sixty (60) years of age on or before December 31 of the calendar year preceding the year in which the deduction is claimed;

(2) the surviving spouse's deceased husband or wife was at least sixty-five (65) years of age at the time of a death;

(3) the surviving spouse has not remarried; and

(4) the surviving spouse satisfies the requirements prescribed in subsection (a)(2) through (a)(6).

(g) An individual who has sold real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property may not claim the deduction provided under

1 this section against that real property.

2 (h) In the case of tenants covered by subsection (a)(2)(B), if all of  
3 the tenants are not at least sixty-five (65) years of age, the deduction  
4 allowed under this section shall be reduced by an amount equal to the  
5 deduction multiplied by a fraction. The numerator of the fraction is the  
6 number of tenants who are not at least sixty-five (65) years of age, and  
7 the denominator is the total number of tenants.

8 SECTION 15. IC 6-1.1-12-11, AS AMENDED BY P.L.291-2001,  
9 SECTION 133, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
10 UPON PASSAGE]: Sec. 11. (a) Except as provided in section 40.5 of  
11 this chapter, an individual may have the sum of ~~six~~ **twelve** thousand  
12 **four hundred eighty** dollars ~~(\$6,000)~~ **(\$12,480)** deducted from the  
13 assessed value of real property, mobile home not assessed as real  
14 property, or manufactured home not assessed as real property that the  
15 individual owns, or that the individual is buying under a contract that  
16 provides that the individual is to pay property taxes on the real property,  
17 mobile home, or manufactured home, if the contract or a memorandum  
18 of the contract is recorded in the county recorder's office, and if:

19 (1) the individual is blind or the individual is a disabled person;

20 (2) the real property, mobile home, or manufactured home is  
21 principally used and occupied by the individual as the individual's  
22 residence; and

23 (3) the individual's taxable gross income for the calendar year  
24 preceding the year in which the deduction is claimed did not  
25 exceed seventeen thousand dollars (\$17,000).

26 (b) For purposes of this section, taxable gross income does not  
27 include income which is not taxed under the federal income tax laws.

28 (c) For purposes of this section, "blind" has the same meaning as the  
29 definition contained in IC 12-7-2-21(1).

30 (d) For purposes of this section, "disabled person" means a person  
31 unable to engage in any substantial gainful activity by reason of a  
32 medically determinable physical or mental impairment which:

33 (1) can be expected to result in death; or

34 (2) has lasted or can be expected to last for a continuous period  
35 of not less than twelve (12) months.

36 (e) Disabled persons filing claims under this section shall submit  
37 proof of disability in such form and manner as the department shall by  
38 rule prescribe. Proof that a claimant is eligible to receive disability  
39 benefits under the federal Social Security Act (42 U.S.C. 301 et seq.)  
40 shall constitute proof of disability for purposes of this section.

41 (f) A disabled person not covered under the federal Social Security  
42 Act shall be examined by a physician and the individual's status as a  
43 disabled person determined by using the same standards as used by the  
44 Social Security Administration. The costs of this examination shall be  
45 borne by the claimant.

46 (g) An individual who has sold real property, a mobile home not

1 assessed as real property, or a manufactured home not assessed as real  
 2 property to another person under a contract that provides that the  
 3 contract buyer is to pay the property taxes on the real property, mobile  
 4 home, or manufactured home may not claim the deduction provided  
 5 under this section against that real property, mobile home, or  
 6 manufactured home.

7 SECTION 16. IC 6-1.1-12-13, AS AMENDED BY P.L.291-2001,  
 8 SECTION 135, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 9 UPON PASSAGE]: Sec. 13. (a) Except as provided in section 40.5 of  
 10 this chapter, an individual may have ~~twelve~~ **twenty-four** thousand ~~nine~~  
 11 ~~hundred sixty~~ dollars ~~(\$12,000)~~ **(\$24,960)** deducted from the assessed  
 12 value of the taxable tangible property that the individual owns, or real  
 13 property, a mobile home not assessed as real property, or a  
 14 manufactured home not assessed as real property that the individual is  
 15 buying under a contract that provides that the individual is to pay  
 16 property taxes on the real property, mobile home, or manufactured  
 17 home, if the contract or a memorandum of the contract is recorded in  
 18 the county recorder's office and if:

- 19 (1) the individual served in the military or naval forces of the  
 20 United States during any of its wars;
- 21 (2) the individual received an honorable discharge;
- 22 (3) the individual is disabled with a service connected disability of  
 23 ten percent (10%) or more; and
- 24 (4) the individual's disability is evidenced by:
  - 25 (A) a pension certificate, an award of compensation, or a  
 26 disability compensation check issued by the United States  
 27 Department of Veterans Affairs; or
  - 28 (B) a certificate of eligibility issued to the individual by the  
 29 Indiana department of veterans' affairs after the Indiana  
 30 department of veterans' affairs has determined that the  
 31 individual's disability qualifies the individual to receive a  
 32 deduction under this section.

33 (b) The surviving spouse of an individual may receive the deduction  
 34 provided by this section if the individual would qualify for the deduction  
 35 if the individual were alive.

36 (c) One who receives the deduction provided by this section may  
 37 not receive the deduction provided by section 16 of this chapter.  
 38 However, the individual may receive any other property tax deduction  
 39 which the individual is entitled to by law.

40 (d) An individual who has sold real property, a mobile home not  
 41 assessed as real property, or a manufactured home not assessed as real  
 42 property to another person under a contract that provides that the  
 43 contract buyer is to pay the property taxes on the real property, mobile  
 44 home, or manufactured home may not claim the deduction provided  
 45 under this section against that real property, mobile home, or  
 46 manufactured home.

SECTION 17. IC 6-1.1-12-14, AS AMENDED BY P.L.272-2003, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14. (a) Except as provided in subsection (c) and except as provided in section 40.5 of this chapter, an individual may have the sum of ~~six~~ **twelve** thousand **four hundred eighty** dollars ~~(\$6,000)~~ **(\$12,480)** deducted from the assessed value of the tangible property that the individual owns (or the real property, mobile home not assessed as real property, or manufactured home not assessed as real property that the individual is buying under a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home if the contract or a memorandum of the contract is recorded in the county recorder's office) if:

- (1) the individual served in the military or naval forces of the United States for at least ninety (90) days;
- (2) the individual received an honorable discharge;
- (3) the individual either:
  - (A) is totally disabled; or
  - (B) is at least sixty-two (62) years old and has a disability of at least ten percent (10%); and
- (4) the individual's disability is evidenced by:
  - (A) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs; or
  - (B) a certificate of eligibility issued to the individual by the Indiana department of veterans' affairs after the Indiana department of veterans' affairs has determined that the individual's disability qualifies the individual to receive a deduction under this section.

(b) Except as provided in subsection (c), the surviving spouse of an individual may receive the deduction provided by this section if the individual would qualify for the deduction if the individual were alive.

(c) No one is entitled to the deduction provided by this section if the assessed value of the individual's tangible property, as shown by the tax duplicate, exceeds one hundred thirteen thousand dollars (\$113,000).

(d) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 18. IC 6-1.1-12-16, AS AMENDED BY P.L.291-2001, SECTION 138, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) Except as provided in section 40.5 of this chapter, a surviving spouse may have the sum of ~~nine~~ **eighteen** thousand **seven hundred twenty** dollars ~~(\$9,000)~~ **(\$18,720)** deducted from the assessed value of his or her tangible property, or real property,

mobile home not assessed as real property, or manufactured home not assessed as real property that the surviving spouse is buying under a contract that provides that he is to pay property taxes on the real property, mobile home, or manufactured home, if the contract or a memorandum of the contract is recorded in the county recorder's office, and if:

(1) the deceased spouse served in the military or naval forces of the United States before November 12, 1918; and

(2) the deceased spouse received an honorable discharge.

(b) A surviving spouse who receives the deduction provided by this section may not receive the deduction provided by section 13 of this chapter. However, he or she may receive any other deduction which he or she is entitled to by law.

(c) An individual who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section against that real property, mobile home, or manufactured home.

SECTION 19. IC 6-1.1-12-17.4, AS AMENDED BY P.L.272-2003, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 17.4. (a) Except as provided in section 40.5 of this chapter, a World War I veteran who is a resident of Indiana is entitled to have the sum of ~~nine~~ **eighteen** thousand **seven hundred twenty** dollars ~~(\$9,000)~~ **(\$18,720)** deducted from the assessed valuation of the real property (including a mobile home that is assessed as real property), mobile home that is not assessed as real property, or manufactured home that is not assessed as real property the veteran owns or is buying under a contract that requires the veteran to pay property taxes on the real property, if the contract or a memorandum of the contract is recorded in the county recorder's office, if:

(1) the real property, mobile home, or manufactured home is the veteran's principal residence;

(2) the assessed valuation of the real property, mobile home, or manufactured home does not exceed one hundred sixty-three thousand dollars (\$163,000); and

(3) the veteran owns the real property, mobile home, or manufactured home for at least one (1) year before claiming the deduction.

(b) An individual may not be denied the deduction provided by this section because the individual is absent from the individual's principal residence while in a nursing home or hospital.

(c) For purposes of this section, if real property, a mobile home, or a manufactured home is owned by a husband and wife as tenants by the entirety, only one (1) deduction may be allowed under this section.

1 However, the deduction provided in this section applies if either spouse  
2 satisfies the requirements prescribed in subsection (a).

3 (d) An individual who has sold real property, a mobile home not  
4 assessed as real property, or a manufactured home not assessed as real  
5 property to another person under a contract that provides that the  
6 contract buyer is to pay the property taxes on the real property, mobile  
7 home, or manufactured home may not claim the deduction provided  
8 under this section with respect to that real property, mobile home, or  
9 manufactured home.

10 SECTION 20. IC 6-1.1-12-18, AS AMENDED BY P.L.90-2002,  
11 SECTION 110, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
12 UPON PASSAGE]: Sec. 18. (a) If the assessed value of residential real  
13 property described in subsection (d) is increased because it has been  
14 rehabilitated, the owner may have deducted from the assessed value of  
15 the property an amount not to exceed the lesser of:

16 (1) the total increase in assessed value resulting from the  
17 rehabilitation; or

18 (2) ~~nine~~ **eighteen** thousand **seven hundred twenty** dollars  
19 ~~(\$9,000)~~ **(\$18,720)** per rehabilitated dwelling unit.

20 The owner is entitled to this deduction annually for a five (5) year  
21 period.

22 (b) For purposes of this section, the term "rehabilitation" means  
23 significant repairs, replacements, or improvements to an existing  
24 structure which are intended to increase the livability, utility, safety, or  
25 value of the property under rules adopted by the department of local  
26 government finance.

27 (c) For the purposes of this section, the term "owner" or "property  
28 owner" includes any person who has the legal obligation, or has  
29 otherwise assumed the obligation, to pay the real property taxes on the  
30 rehabilitated property.

31 (d) The deduction provided by this section applies only for the  
32 rehabilitation of residential real property which is located within this  
33 state and which is described in one (1) of the following classifications:

34 (1) a single family dwelling if before rehabilitation the assessed  
35 value (excluding any exemptions or deductions) of the  
36 improvements does not exceed ~~eighteen~~ **thirty-seven** thousand  
37 **four hundred forty** dollars ~~(\$18,000); (\$37,440);~~

38 (2) a two (2) family dwelling if before rehabilitation the assessed  
39 value (excluding exemptions or deductions) of the improvements  
40 does not exceed ~~twenty-four~~ **forty-nine** thousand **nine hundred**  
41 **twenty** dollars ~~(\$24,000); (\$49,920);~~ and

42 (3) a dwelling with more than two (2) family units if before  
43 rehabilitation the assessed value (excluding any exemptions or  
44 deductions) of the improvements does not exceed ~~nine~~ **eighteen**  
45 thousand **seven hundred twenty** dollars ~~(\$9,000)~~ **(\$18,720)** per  
46 dwelling unit.

SECTION 21. IC 6-1.1-12-22, AS AMENDED BY P.L.90-2002, SECTION 112, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 22. (a) If the assessed value of property is increased because it has been rehabilitated and the owner has paid at least ten thousand dollars (\$10,000) for the rehabilitation, the owner is entitled to have deducted from the assessed value of the property an amount equal to fifty percent (50%) of the increase in assessed value resulting from the rehabilitation. The owner is entitled to this deduction annually for a five (5) year period. However, the maximum deduction which a property owner may receive under this section for a particular year is:

- (1) ~~sixty one hundred twenty-four~~ thousand ~~eight hundred~~ dollars ~~(\$60,000)~~ **(\$124,800)** for a single family dwelling unit; or
- (2) three hundred thousand dollars (\$300,000) for any other type of property.

(b) For purposes of this section, the term "property" means a building or structure which was erected at least fifty (50) years before the date of application for the deduction provided by this section. The term "property" does not include land.

(c) For purposes of this section, the term "rehabilitation" means significant repairs, replacements, or improvements to an existing structure that are intended to increase the livability, utility, safety, or value of the property under rules adopted by the department of local government finance.

SECTION 22. IC 6-1.1-12.1-4.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.1. (a) Section 4 of this chapter applies to economic revitalization areas that are not residentially distressed areas.

(b) This subsection applies to economic revitalization areas that are residentially distressed areas. The amount of the deduction that a property owner is entitled to receive under section 3 of this chapter for a particular year equals the lesser of:

- (1) the assessed value of the improvement to the property after the rehabilitation or redevelopment has occurred; or
- (2) the following amount:

TYPE OF DWELLING	AMOUNT
One (1) family dwelling . . . . .	<del>\$36,000</del> <b>\$74,880</b>
Two (2) family dwelling . . . . .	<del>\$51,000</del> <b>\$106,080</b>
Three (3) unit multifamily dwelling . . . . .	<del>\$75,000</del> <b>\$156,000</b>
Four (4) unit multifamily dwelling . . . . .	<del>\$96,000</del> <b>\$199,680</b> .

Page 124, between lines 20 and 21, begin a new paragraph and insert:

"SECTION 98. [EFFECTIVE UPON PASSAGE] (a) **IC 6-1.1-12-9, IC 6-1.1-12-11, IC 6-1.1-12-13, IC 6-1.1-12-14, IC 6-1.1-12-16, and IC 6-1.1-12-17.4, all as amended by this act, apply only to property taxes first due and payable after December 31, 2003.**



1       **(b) The amendments to IC 6-1.1-12-18, IC 6-1.1-12-22, and**  
2 **IC 6-1.1-12.1-4.1 by this act apply:**

3       **(1) to property taxes first due and payable after December**  
4 **31, 2003; and**

5       **(2) regardless of whether a taxpayer's initial deduction in the**  
6 **five (5) year deduction period under IC 6-1.1-12-18,**  
7 **IC 6-1.1-12-22, or IC 6-1.1-12.1-4.1 applied to property taxes**  
8 **first due and payable before January 1, 2004."**

9       Renumber all SECTIONS consecutively.

10       (Reference is to EHB 1001 as printed December 2, 2003.)

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Senator LANANE